

Historic, Archive Document

Do not assume content reflects current scientific knowledge, policies, or practices.

7-854.6
247 4

U. S. DEPARTMENT OF AGRICULTURE
✓ COMMODITY CREDIT CORPORATION
OFFICE OF SUPPLY
WASHINGTON 25, D. C.

Index:
Claims
Settlement of Claims
July 3, 1945

SHIPPING AND STORAGE BRANCH MEMORANDUM NO. 52.1

Claims Responsibilities of Shipping and Storage Regional Offices

I Purpose

The purpose of this memorandum is to briefly set forth the duties of the Shipping and Storage Regional Offices in connection with investigations, processing and the final adjustment of claims which may arise due to loss of, or damage to, commodities owned by the Office of Supply.

II Authority to Determine Liability for Loss or Damage

The Claims Division, Shipping and Storage Branch in Washington is responsible for determining liability in connection with any loss and/or damage to OS-owned commodities. They shall solicit the aid of the Regional Office in the regular and orderly processing of claims, and may call upon them for any special assistance whenever necessary.

III Loss and/or Damage to Commodities While Stored in a Warehouse

All routine reports concerning commodities which are found out of condition in a warehouse will be sent to the Regional Offices serving the area in which the particular consignee or warehouse is located. These reports will be carefully screened and as soon as there is evidence of a potential claim the reports shall be forwarded to the Claims Division, Shipping and Storage Branch in Washington. (Reports on Out-of-Condition and Odd-Lot Commodities will be transmitted as set forth in Shipping and Storage Branch Memorandum No. 37.1)

IV When There is Slight Damage to Commodity While in Transit

The Regional Office will police the "Forwarding Notice and Non-Negotiable Receipt", Form CCC-154 and when there is evidence of slight damage:

Take appropriate steps as may be necessary to arrange for reconditioning if not already accomplished.

V When There is a Serious Damage to Commodity While in Transit

- A. The warehouseman shall telephone the Claims Division, Shipping and Storage Branch in Washington as soon as it is discovered that a Shipment has been received with a serious damage to a commodity. A full description of the damaged product must be furnished to the Claims Division with as much shipping information as possible to identify the item.

- B. The Claims Division in Washington will telephone the appropriate commodity branch of the Office of Marketing Services and request an immediate inspection of the commodity. They shall:
1. Send a confirming memorandum to the commodity branch, requesting the inspection.
 2. Telegraph the warehouseman, notifying him that the commodity will be inspected.
 3. Teletype a transcript of the telegram to the warehouseman to the Regional Office.
- C. The appropriate commodity branch of the Office of Marketing Services will arrange for the necessary inspection of the commodity and will furnish the Claims Division with a report of the inspection.
- D. The Claims Division will make a determination as to the extent of damage based upon information contained in the inspection report.
1. If reconditioning is required, the Claims Division will teletype the Shipping and Storage Regional Office accordingly.
 - a. The Shipping and Storage Regional Office will be responsible for making the necessary arrangements for the performance and adequacy of the work to be done.
 - b. The Shipping and Storage Regional Office will notify warehouseman that commodity is to be reconditioned.
 2. If shipment is to be rejected to carrier, vendor or terminal facility, the Claims Division will:
 - a. Telegraph carrier, vendor or terminal facility that shipment is rejected.
 - b. Telegraph warehouseman that commodity is being rejected to liable party or parties.
 - c. Teletype Shipping and Storage Regional Office, furnishing a transcript of the telegram to warehouseman stating that shipment is being rejected.

VI Shortages or Damages While in Transit

A. Shortages

The Shipping and Storage Regional Office will police the receipt of "Forwarding Notice and Non-Negotiable Receipt", Form CCC-154 to make sure that it is returned promptly by the warehouseman and forwarded to Claims Division, Shipping and Storage Branch in Washington.

If Form CCC-154 indicates a shortage the Shipping and Storage Regional Office will:

1. Secure copies of unloading tallies.
2. Check shipment on warehouse floor.
3. Secure record on the incoming car seal.
4. Assist the Claims Division, Shipping and Storage Branch, in Washington with the adjustment of claims upon advice of and requests from that office.

B. Damages

If Form CCC-154 indicates a damage to commodity while in transit and provided reconditioning has not taken place, the Shipping and Storage Regional Office will:

1. Have reconditioning done immediately. (The costs of reconditioning as well as the party or parties responsible therefor should be included either on the CCC-154 or in a letter to the Claims Division in Washington.)
2. Secure all possible data relative to the damage.
3. Assist the Claims Division, Shipping and Storage Branch, in Washington in securing information, where necessary, from vendors and shippers as to loading tallies and loading diagrams of cars.

VII Inventory Adjustment When Commodities are Damaged

A. Rejections of entire shipment to Carrier

The Shipping and Storage Regional Office when advised of rejection of a shipment to the liable party or parties. (See paragraph IV, D 2) will notify:

1. Storage Section, Regional Office who in turn will notify; Storage Division, Shipping and Storage Branch in Washington

in order to provide for proper inventory adjustment.

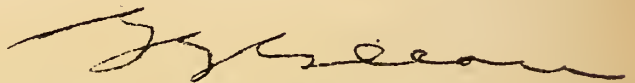
B. Reconditioning and Rejection of Part of Shipment

The Shipping and Storage Regional Office when advised to have commodity reconditioned (see Paragraph IV, D, 1) will notify:

1. Storage Section, Regional Office who in turn will notify: Storage Division, Shipping and Storage Branch in Washington

to earmark such lots as are being reconditioned. Both offices will remove the items from availability and will make final adjustment ONLY upon advice from the Shipping and Storage Regional Office when responsibility for claim is completely determined.

Note: Final adjustment may reflect part of shipment rejected: part reconditioned; and part a "loss". No advice should be furnished by Regional Office until all phases of adjustment have been completed, at which time Storage Section of Regional Office and Storage Division, Shipping and Storage Branch, Washington, will be notified, by the Regional Storage Section.



Acting Chief, Shipping and Storage Branch

